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WISCONSIN ECONOMIC INDICATORS

SEPTEMBER 1986

DILHR
DEPARTMENT OF INDUSTRY, LABOR & HUMAN RELATIONS

WISCONSIN DATA AND SOURCES

	INDICATOR	SOURCE
L1	Composite Index of Leading Indicators	Wis.Dept. of Industry, Labor and Human Relations
L2	Average Work Week, Manufacturing	Wis. Dept. of Industry, Labor and Human Relations
L3	Average Overtime Hours, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
L4	Average Weekly Initial Claims	Wis. Dept. of Industry, Labor and Human Relations
L5	Total Job Openings Received	Wis. Dept. of Industry, Labor and Human Relations
L6	New Business Incorporations	Wisconsin Secretary of State
L7	Net Gain in Business Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
L8	Building Plans Examined	Wis. Dept. of Industry, Labor and Human Relations
C1	Help-Wanted Advertising Index (Milw.)	National Industrial Conference Board
C2	Total Unemployment Rate	Wis. Dept. of Industry, Labor and Human Relations
C3	Natural Gas Sales	Wisconsin Public Service Commission
C4	New Car Registrations	Wis. Department of Transportation
C5	Electric Power Sales	Wisconsin Public Service Commission
C6	Total Securities Registrations	Wisconsin Commissioner of Securities
C7	Manufacturing Employment	Wis. Dept. of Industry, Labor and Human Relations
C8	Average Weekly Earnings, Mfg.	Wis. Dept. of Industry, Labor and Human Relations
C9	Cash Receipts From Farm Marketing	U.S. Department of Agriculture
C10	Contract Construction Employment	Wis. Dept. of Industry, Labor and Human Relations
X1	Birth Registrations	Wis. Department of Health and Social Services
X2	Death Registgrations	Wis. Department of Health and Social Services
X3	Natural Net Gain in Population	Wis. Department of Health and Social Services
X4	Marriage Registrations	Wis. Department of Health and Social Services
X5	Consumer Price Index (Milwaukee)	U.S. Bureau of Labor Statistics
X6	Index of Prices Received By Farmers	Wisconsin Department of Agriculture
X7	Net Gain in Residential Phone Access Lines	Wis. Telephone Co. and General Telephone Co.
X8	Labor Disputes, No. of Workers	Wis. Dept. of Industry, Labor and Human Relations
X9	Unemployment Compensation Exhaustees	Wis. Dept. of Industry, Labor and Human Relations

NOTES: Selected series are seasonally adjusted by the Bureau of the Census X-11 Variant of the Census Method II Seasonal Adjustment Program. The adjusted data are plotted on arithmetic scales.

SECTION A is a summary of recent data and current changes for all indicators and is presented in chart form. The indicators are presented with cyclical timing as the principle basis of classification.

SECTION B is a summary of Wisconsin Labor Force Estimates, including Employment, Unemployment and Unemployment Rates, and selected U.S. data.

SECTION C analyzes the Wisconsin labor force by industry and by specified Standard Metropolitan Statistical Areas.

SECTION D singles out certain economic time series as being leading or coinciding in relation to movements in aggregate economic activity. They are seasonally adjusted and presented graphically. The indicators are grouped by cyclical timing.

THE WISCONSIN ECONOMY

SUMMARY FOR AUGUST

LEADING INDICATORS OF WISCONSIN'S ECONOMIC ACTIVITY IN AUGUST WERE MIXED AND GIVE NO STRONG SIGNALS OF PRONOUNCED CYCLICAL CHANGE. THE STATE'S LABOR FORCE EXPANDED AT A MORE-THAN-NORMAL PACE AND THE NEW LABOR FORCE ENTRANTS FOUND EMPLOYMENT.

LEADING INDICATORS

Production workers in the state's manufacturing industries spent more time on the job in August than in the previous month. The average workweek in manufacturing increased by two-tenths of an hour, a normal amount for August. In seven out of eight months this year, production workers have averaged 41 or more hours per week.

Contributing to the longer workweek in August was a 0.4 hour increase in the average weekly overtime hours. Overtime usually increases in August and, in fact, this month's increase is slightly less than the seasonal pattern. However, the number of workers in manufacturing increased by nearly six thousand.

The average number of initial claims for unemployment compensation decreased by nearly 1100 per week. A decrease of claims is normal for August, but this month's drop is not large enough to match the normal seasonal trend. A decrease of about 1800 would have been normal. Each month's initial claims average this year has been lower than the comparable month's of last year, so even the less-than-normal decline left this August's average nearly 900 lower than one year ago.

The total number of job openings received by Job Service offices throughout the state increased in August, but only slightly. The orders for workers sent to Job Service by employers are well below the season trend ...there is usually a large increase in August.

The number of new business incorporations in the state decreased slightly. However, this month's slight drop is a vast improvement. New incorporations usually drop precipitously in August. The number of new incorporation so far this year has outpaced, by about 80, the number during the first eight months of last year.

WISCONSIN LABOR FORCE

Total employment throughout the state increased in August by over twenty-one thousand. Some of the job gain is a normal seasonal increase, but the majority of employment growth is real economic growth. Employment levels during June, July and August are well above the levels for comparable months of last year. Both July and August employment surpassed year ago levels by over forty thousand.

Total employment decreased by eight thousand in August, but that was just slightly less than the normal seasonal pace for that month. A decrease of about 9500 would have been right on the seasonal trend. However, labor force growth is much larger than normal and most of August's extra labor force entrants have found employment. The July to August labor force growth last year amounted to 3600, and, in fact, the average July to August change for the last five years is a decrease of about 3400 workers and job seekers. This August's improvement in the unemployment rate results from more employment rather than labor force shrinkage.

Section

A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month		Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	Yr/Ago	AVG.
LEADING INDICATORS								
L1 COMPOSITE INDEX OF LEADING INDICATORS								
Seasonally Adjusted	INDEX	88.0	Aug	89.6	85.8	-1.8	2.6	8.43
L2 AVG. WORK WEEK, MFG.								
Unadjusted	HOURS	41.2	Aug	41.0	40.9	0.5	0.7	41.1
Seasonally Adjusted		41.3		41.3	41.0	0.0	0.7	
L3 AVG. OVERTIME HOURS, MFG.								
Unadjusted	HOURS	3.8	Aug	3.4	3.5	11.8	8.6	3.3
Seasonally Adjusted		3.4		3.5	3.2	-2.9	6.2	
L4 AVG. WEEKLY INITIAL CLAIMS								
Unadjusted	NUMBER	5,890	Aug	6,988	6,777	-15.7	-13.1	10,380
Seasonally Adjusted		8,046		7,094	9,264	13.4	-13.1	
L5 TOTAL JOB OPENINGS REC.								
Unadjusted	NUMBER	9,384	Aug	9,160	9,463	2.4	-0.8	8,228
Seasonally Adjusted		6,105		7,346	6,158	-16.9	-0.9	
L6 NEW BUSINESS INCORPORATIONS								
Unadjusted	NUMBER	525	Aug	534	497	-1.7	5.6	542
Seasonally Adjusted		566		511	536	10.8	5.6	
L7 NET GAIN IN BUSINESS PHONES ACCESS LINES								
Unadjusted	NUMBER	2,836	Aug	2,071	1,802	36.9	57.4	1,356
Seasonally Adjusted		1,461		1,105	1,565	32.2	-6.6	
L8 BUILDING PLANS EXAMINED								
Unadjusted	NUMBER	605	Aug	645	626	-6.2	-3.4	526
Seasonally Adjusted		541		560	560	-3.4	-3.4	
ROUGHLY COINCIDING INDICATORS								
C1 HELP-WANTED INDEX (MILW.)								
Seasonally Adjusted	INDEX	65	Jul	57	59	14.0	10.2	55
C2 UNEMPLOYMENT RATE, TOTAL								
Unadjusted	PERCENT	6.2	Aug	6.5	6.1	-	-	7.2
Seasonally Adjusted		7.0		7.0	6.9	-	-	
C3 NATURAL GAS SALES								
Unadjusted	MIL. THERMS	77.8	Jul	94.6	110.3	-17.8	-29.5	252.9
Seasonally Adjusted		173.3		196.3	245.9	-11.7	-29.5	
C4 NEW CAR REGISTRATIONS								
Unadjusted	NUMBER	15,650	Aug	21,597	12,966	-27.5	20.7	16,697
Seasonally Adjusted		13,436		20,093	11,129	-33.1	20.7	
C5 ELECTRIC POWER SALES								
Unadjusted	MIL. KWH	2116.3	Jul	1974.0	1998.5	7.2	5.9	1893.9
Seasonally Adjusted		1990.9		1974.0	1880.5	0.9	5.9	
C6 TOTAL SECURITIES REGISTRATIONS								
Unadjusted	MIL. DOL.	97.3	Aug	137.4	171.1	-29.2	-43.1	131.3
Seasonally Adjusted		105.2		183.9	185.0	-42.8	-43.1	

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A WISCONSIN ECONOMIC INDICATORS

INDICATOR	UNIT	MONTHLY SERIES Latest Month		Mo/Ago	Yr/Ago	% CHANGE Mo/Ago	Yr/Ago	AVG. 1985
C7 MANUFACTURING EMPL.								
Unadjusted	THOUS.	530.9	Aug	525.1	530.5	1.1	0.1	515.2
Seasonally Adjusted		515.4		516.3	515.3	-0.2	0.0	
C8 AVG. WEEKLY EARNINGS, MFG.								
Unadjusted	DOLLARS	419.42	Aug	423.94	411.05	-1.1	2.0	421.57
Seasonally Adjusted		431.50		430.40	422.96	0.3	2.0	
C9 CASH RECEIPTS FROM FARM MKTG.								
Unadjusted	MIL. DOL.	397.7	Jun	404.9	395.9	-1.8	0.5	421.0
Seasonally Adjusted		408.7		416.1	406.9	-1.8		
C10 CONTRACT CONSTRUCTION EMPL.								
Unadjusted	THOUS.	71.4	Aug	70.5	69.8	1.3	2.3	62.8
Seasonally Adjusted		62.4		62.8	61.0	-0.6	2.3	
OTHER KEY INDICATORS								
X1 BIRTH REGISTRATIONS								
Unadjusted	NUMBER	6,226	Aug	6,186	5,966	0.6	4.4	6,141
Seasonally Adjusted		6,195		5,445	5,933	13.8	4.4	
X2 DEATH REGISTRATIONS								
Unadjusted	NUMBER	3,258	Aug	3,267	2,981	-0.3	9.3	3,475
Seasonally Adjusted		3,686		3,138	3,371	17.5	9.3	
X3 NATURAL NET GAIN POPULATION								
Unadjusted	NUMBER	2,968	Aug	3,919	2,985	1.7	-0.6	2,666
Seasonally Adjusted		2,552		2,416	2,567	5.6	-0.6	
X4 MARRIAGE REGISTRATIONS								
Unadjusted	NUMBER	4,660	Aug	4,100	4,653	13.7	0.2	3,360
Seasonally Adjusted		3,147		2,988	3,143	5.3	0.1	
X5 CONSUMER PRICE INDEX (MILW.)				(May)				
Unadjusted	INDEX	331.3	Jul	332.0	331.1	-0.2	0.1	330.5
X6 PRICES RECEIVED BY FARMERS								
Unadjusted	INDEX	133	Aug	129	127	3.0	4.7	133
Seasonally Adjusted		133		131	127	1.5	4.7	
X7 NET GAIN IN RESIDENTIAL PHONES ACCESS LINES								
Unadjusted	NUMBER	5,339	Aug	572	3,941	833.4	35.5	1,615
Seasonally Adjusted		1,532		1,074	1,589	42.6	-3.6	
X8 LABOR DISPUTES, NO. OF WORKERS								
Unadjusted	NUMBER	2,489	Aug	1,544	2,082	61.2	19.5	450
Seasonally Adjusted		1,425		1,785	1,192	-20.2	19.5	
X9 UNEMPL. COMPENSATION EXHAUSTEES								
Unadjusted	NUMBER	26,604	Aug	28,132	27,691	-5.4	-3.9	26,616
Seasonally Adjusted		25,581		26,024	26,615	-1.7	-3.9	

Section

B

LABOR FORCE ESTIMATES

WISCONSIN LABOR FORCE ESTIMATES AUGUST	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Unadjusted					
CIVILIAN LABOR FORCE	2428.8	2415.8	2379.0	-0.5	2.1
Employment (Inc. Labor Disputes)	2278.9	2257.9	2233.6	-0.9	2.0
Unemployment	149.9	157.9	145.4	-5.1	3.1
Unemployment Rate	6.2	6.5	6.1	-	-
Seasonally Adjusted					
CIVILIAN LABOR FORCE	2404.1	2388.4	2355.3	0.7	2.1
Employment (Inc. Labor Disputes)	2236.4	2222.3	2192.7	0.6	2.0
Unemployment	167.7	166.0	162.6	1.0	3.1
Unemployment Rate	7.0	7.0	6.9	-	-

WISCONSIN EMPLOYMENT ESTIMATES AUGUST	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
TOTAL NONFARM WAGE AND SALARY WORKERS	2032.1	2020.7	1991.9	0.6	2.0
Unadjusted					
Manufacturing	528.9	524.1	528.4	0.9	0.1
Mining	3.0	3.0	2.7	0.0	11.1
Contract Construction	70.9	70.0	69.8	1.3	1.6
Transportation and Public Utilities	93.4	92.8	92.0	0.6	1.5
Elec., Gas and Sanitary Services	18.0	18.0	17.8	0.0	1.1
Wholesale Trade	98.9	99.5	99.1	-0.6	-0.2
Retail Trade	385.0	380.6	373.9	1.2	3.0
General Merchandise	46.9	46.3	47.0	1.3	-0.2
Finance, Insurance and Real Estate	110.1	109.9	105.6	0.2	4.3
Banking	29.1	29.1	28.5	0.0	2.1
Insurance	36.4	36.4	34.5	0.0	5.5
Service and Miscellaneous	437.9	434.4	423.7	0.8	3.4
Hospitals	66.5	67.3	66.8	-1.2	-0.4
Private Education	19.8	19.9	20.1	-0.5	-1.5
Government	304.1	306.5	296.6	-0.8	2.5
State Government	79.0	78.6	77.9	0.5	1.4
Local Government	196.6	199.1	190.5	-1.3	3.2

UNITED STATES LABOR FORCE ESTIMATES AUGUST	(In Thousands)			Pct. Chg.	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
Seasonally Adjusted					
CIVILIAN LABOR FORCE	118,182	118,072	115,343	0.1	2.5
Employment	110,155	109,882	107,210	0.2	2.7
Unemployment	8,027	8,190	8,133	-2.0	-1.3
Unemployment Rate	6.8	6.9	7.1	-	-

MANUFACTURING EMPLOYMENT *(Unadjusted)* AUGUST	(In Thousands) Latest Month	Month Ago	Year Ago
All Manufacturing (Including Canning)	528.9	524.1	528.4
All Manufacturing (Excluding Canning)	508.4	507.0	503.8
Durable Goods	314.1	314.5	313.3
Lumber and Wood Prod., (Except Furniture)	24.4	24.4	23.7
Sawmills and Planning Mills	3.2	3.3	3.4
Millwork, Veneer, Plywood & Prefab. Wood Prod.	12.0	11.9	11.4
Furniture and Fixtures	9.9	9.7	9.6
Household Furniture	4.0	3.9	3.9
Stone, Clay and Glass Products	8.7	8.7	8.4
Concrete, Gypsum and Plaster Products	4.6	4.5	4.4
Primary Metal Industries	18.8	18.9	19.3
Iron and Steel Foundries	10.1	10.0	10.4
Fabricated Metal Products	51.8	52.0	51.1
Heating Equipment (Except Electrical) & Plumbing Fixtures	5.9	5.9	6.0
Fabricated Structural Metal Products	12.2	12.3	12.8
Metal Stampings	10.5	10.6	10.8
Machinery (Except Electrical)	98.8	97.6	97.1
Engines and Turbines	17.9	17.1	17.9
Farm Machinery and Equipment	12.1	11.6	11.5
Const., Min. & Material Handling Mach. & Equip.	11.0	11.2	11.0
Metalworking Machinery and Equipment	11.3	11.2	11.6
Special Industry Machinery (Except Metalworking)	12.0	12.0	13.0
General Industrial Machinery and Equipment	13.6	13.7	13.4
Service Industry Machines	6.9	6.9	5.6
Electrical Machinery, Equipment and Supplies	49.7	49.1	49.7
Electrical Industrial Apparatus	16.9	17.0	17.2
Household Appliances	6.3	6.0	6.6
Transportation Equipment	29.7	32.4	32.6
Motor Vehicles and Equipment	21.9	24.6	26.0
Instruments and Related Products	11.9	11.5	11.3
Miscellaneous Manufacturing	10.4	10.2	10.4
Nondurable Goods	214.8	209.6	215.1
Food and Kindred Products	71.6	68.2	75.4
Meat Products	14.8	15.0	14.6
Dairy Products	17.5	17.5	17.6
Canning and Preserving	20.5	17.0	24.6
Bakery Products	4.3	4.3	4.2
Beverage Industries	7.8	7.8	8.1
Textile Mill Products	4.3	4.1	4.5
Knitting Mills	3.5	3.3	3.6
Apparel and Other Finished Products	6.7	6.1	6.6
Paper and Allied Products	49.9	50.3	49.8
Pulp and Paper Mills	29.8	30.8	30.7
Converted Paper and Paperboard Products	11.9	11.3	10.8
Paperboard Containers and Boxes	6.7	6.8	6.8
Printing, Publishing and Allied Industries	39.6	39.5	38.5
Newspapers	12.3	12.3	11.9
Commercial Printing	17.6	17.5	16.8
Chemicals and Allied Products	10.1	10.1	10.2
Rubber and Misc. Plastics Products	25.4	24.8	22.7
Miscellaneous Plastics Products	21.1	20.4	18.3
Leather and Leather Products	6.9	6.2	7.1
Leather Tanning and Finishing	1.5	1.6	1.7
Footwear (Except Rubber)	3.6	2.9	3.7
Other Nondurable Goods	–	–	–

Section

C

WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* AUGUST	Average Weekly Earnings			Average Weekly Hours		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	$419	$424	$411	41.2	41.0	40.9
All Manufacturing (Excl. Canning)	428	433	421	41.2	41.2	40.9
Durable Goods	431	434	427	41.1	41.1	40.9
Lumber/Wood Prod. (Exc. Furn.)	357	357	319	41.1	41.1	41.9
Furniture and Fixtures	328	326	314	41.5	41.5	41.4
Stone, Clay and Glass Products	404	405	410	40.2	40.0	43.2
Primary Metal Industries	425	411	406	42.7	41.2	40.8
Iron and Steel Foundries	427	419	409	43.3	42.5	40.8
Fabricated Metal Products	413	410	410	40.2	39.8	40.4
Fab. Structural Metal Prod.	432	427	435	41.9	41.5	42.9
Metal Stampings	437	434	397	40.3	39.6	39.3
Machinery (Except Electrical)	478	489	478	41.8	42.5	41.6
Engines and Turbines	520	605	498	42.0	46.4	39.9
Farm Machinery and Equip.	532	513	517	41.7	41.4	41.7
Const. and Related Mach.	450	457	493	41.0	42.1	41.6
Metalworking Mach. and Equip.	518	512	519	43.0	42.7	42.8
Spec. Ind. Mach. (Exc. Metal) .	496	480	519	42.0	40.4	44.9
Gen. Industrial Mach. and Equip.	496	484	488	41.1	40.4	40.5
Electrical Mach., Equip. and Supp.	416	416	399	41.1	40.9	39.9
Electrical Industrial Apparatus	443	439	416	41.0	40.8	39.4
Transportation Equipment	526	530	551	40.3	40.4	40.3
Instruments and Related Prod.	351	352	341	39.6	39.6	37.8
Nondurable Goods	403	410	390	41.3	40.9	41.1
Food and Kindred Products	351	346	341	40.9	38.8	40.6
Meat Products	360	350	318	40.9	39.8	37.1
Dairy Products	405	401	391	41.0	40.9	40.7
Textile Mill Products	328	322	283	41.2	40.8	39.7
Apparel and Other Fin. Prod.	249	245	248	39.8	39.4	39.9
Paper and Allied Products	559	574	536	45.9	46.8	45.3
Pulp and Paper Mills	605	627	582	46.9	48.4	46.5
Printing, Pub. and Allied Prod.	427	437	424	38.8	39.3	38.9
Chemicals and Allied Products	445	466	442	39.6	41.4	41.2
Rubber and Misc. Plastics Prod.	325	316	321	39.3	38.5	39.0
Leather and Leather Products.	248	263	236	37.6	38.7	37.7

Section

C WISCONSIN EARNINGS AND HOURS DATA

EARNINGS AND HOURS *(Unadjusted)* AUGUST	Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.		
	Latest Month	Mo. Ago	Yr. Ago	Latest Month	Mo. Ago	Yr. Ago
All Manufacturing (Incl. Canning)	10.18	10.34	10.05	9.76	9.94	9.71
All Manufacturing (Excl. Canning)	10.40	10.50	10.29	9.97	10.09	9.92
Durable Goods	10.48	10.56	10.44	10.09	10.23	10.14
Lumber/Wood Prod. (Exc. Furn.)	8.69	8.68	7.62	8.29	8.23	7.50
Furniture and Fixtures	7.90	7.85	7.58	7.73	7.73	7.45
Stone, Clay and Glass Products	10.05	10.12	9.50	9.74	9.82	9.25
Primary Metal Industries	9.95	9.98	9.96	9.54	9.61	9.59
Iron and Steel Foundries	9.87	9.86	10.03	9.45	9.52	9.73
Fabricated Metal Products	10.27	10.31	10.15	9.87	9.93	9.80
Fab. Structural Metal Prod.	10.32	10.29	10.15	9.87	9.85	9.68
Metal Stampings	10.84	10.96	10.11	10.52	10.63	9.89
Machinery (Except Electrical)	11.44	11.50	11.48	11.04	11.18	11.20
Engines and Turbines	12.37	13.04	12.48	11.85	12.79	12.23
Farm Machinery and Equip.	12.75	12.39	12.40	12.29	11.93	12.00
Const. and Related Mach.	10.98	10.86	11.84	10.72	10.57	11.59
Metalworking Mach. and Equip.	12.05	11.98	12.13	11.68	11.60	11.65
Spec. Ind. Mach. (Exc. Metal).	11.80	11.88	11.55	11.27	11.39	10.92
Gen. Industrial Mach. and Equip.	12.07	11.98	12.05	11.59	11.50	11.77
Electrical Mach., Equip. and Supp.	10.12	10.17	10.01	9.82	9.86	9.69
Electrical Industrial Apparatus	10.81	10.77	10.57	10.62	10.54	10.23
Transportation Equipment	13.05	13.12	13.66	12.53	12.74	13.18
Instruments and Related Prod.	8.86	8.88	9.03	8.57	8.60	8.88
Nondurable Goods	9.75	10.02	9.49	9.28	9.51	9.07
Food and Kindred Products	8.57	8.91	8.39	8.16	8.47	8.07
Meat Products	8.81	8.82	8.58	8.45	8.43	8.32
Dairy Products	9.87	9.81	9.60	9.25	9.29	9.16
Textile Mill Products	7.97	7.89	7.13	7.61	7.61	6.91
Apparel and Other Fin. Prod.	6.25	6.21	6.21	6.12	6.08	6.01
Paper and Allied Products	12.17	12.26	11.84	11.60	11.66	11.26
Pulp and Paper Mills	12.91	12.95	12.51	12.36	12.36	11.92
Printing, Pub. and Allied Prod.	11.01	11.13	10.89	–	–	–
Chemicals and Allied Products	11.24	11.25	10.73	11.04	10.94	10.48
Rubber and Misc. Plastics Prod.	8.27	8.22	8.22	7.93	7.96	7.92
Leather and Leather Products.	6.59	6.79	6.26	6.46	6.64	6.10

Section

C SUMMARY OF RECENT WISCONSIN DATA

EARNINGS AND HOURS, MFG. Production Workers (Unadjusted) AUGUST	Average Weekly Earnings			Average Weekly Hours			Average Hourly Earnings Including O.T.			Average Hourly Earnings Excluding O.T.	
	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago	Year Ago	Latest Month	Month Ago
United States	$394	$391	$384	40.7	40.2	40.5	9.68	9.73	9.49	–	–
Wisconsin	419	424	411	41.2	41.0	40.9	10.18	10.34	10.05	9.76	9.94
Selected Areas											
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	427	450	429	42.7	43.6	42.6	10.00	10.32	10.06	9.52	9.81
Beloit (City)	369	346	353	36.6	34.9	37.4	10.07	9.92	9.44	–	–
Eau Claire (Eau Claire-Chippewa)	436	413	423	41.1	39.9	40.6	10.60	10.36	10.41	10.30	10.10
Fond du Lac (County)	407	391	366	44.1	42.0	41.6	9.24	9.32	8.79	8.59	8.77
Green Bay (Brown County)	447	467	449	42.0	42.4	41.1	10.64	11.02	10.93	10.06	10.43
Janesville (City)	470	498	479	37.6	37.8	36.6	12.50	13.17	13.08	12.32	13.09
Janesville-Beloit (Rock County)	427	448	437	38.4	37.4	37.7	11.11	11.98	11.59	10.70	11.86
Kenosha (County)	445	441	476	39.2	39.2	39.6	11.35	11.24	12.01	10.74	10.86
La Crosse (County)	354	359	306	38.1	38.0	37.9	9.28	9.44	8.07	8.81	8.99
Madison (Dane County)	396	390	375	40.9	40.7	41.3	9.69	9.59	9.07	9.21	9.17
Manitowoc (County)	357	374	342	38.8	39.8	38.2	9.20	9.39	8.80	8.92	9.13
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	475	482	472	40.9	41.1	40.7	11.61	11.72	11.60	11.06	11.21
Racine (County)	440	415	406	40.8	39.0	39.2	10.78	10.65	10.35	10.46	10.36
Sheboygan (County)	382	360	368	41.0	38.8	39.2	9.32	9.27	9.39	9.02	9.12
Wausau (Marathon County)	418	416	400	42.4	42.0	41.4	9.85	9.90	9.65	9.43	9.52

EMPLOYMENT, MFG. (Unadjusted) AUGUST	(In Thousands)			Percent Change	
	Latest Month	Month Ago	Year Ago	Month Ago	Year Ago
United States	19,249.0	19,056.0	19,366.0	1.0	-0.6
Wisconsin	528.9	524.1	528.4	0.9	0.1
Selected Areas					
Appleton-Oshkosh (Calumet-Winnebago-Outagamie)	50.7	49.5	50.6	2.4	0.2
Beloit (City)	4.6	4.6	5.6	0.0	-17.9
Eau Claire (Eau Claire-Chippewa)	10.1	10.1	9.6	0.0	5.2
Fond du Lac (County)	10.5	10.3	10.8	1.9	-2.8
Green Bay (Brown County)	25.7	25.0	25.2	2.8	2.0
Janesville (City)	7.9	10.6	11.0	-25.5	-28.2
Janesville-Beloit (Rock County)	14.7	17.2	18.6	-14.5	-21.0
Kenosha (County)	11.0	10.8	12.6	1.9	-12.7
La Crosse (County)	10.9	10.8	8.7	0.9	25.3
Madison (Dane County)	21.7	21.7	21.5	0.0	0.9
Manitowoc (County)	12.8	12.4	11.5	3.2	11.3
Milwaukee (Milwaukee-Ozaukee-Waukesha-Washington)	170.0	169.9	169.8	0.1	0.1
Racine (County)	23.1	22.8	23.3	1.3	-0.9
Sheboygan (County)	18.6	18.5	18.8	0.5	-1.1
Wausau (Marathon County)	11.7	11.6	11.3	0.9	3.5

WELL-PAYING JOBS = ECONOMIC WELL-BEING

by Joseph Tumpach, Jr.

One of the liveliest debates among economists right now is whether the American middle class is eroding. Jobs in the U. S. economy, many argue, are shifting from high wage paying to either very high salary jobs or low wage paying jobs. Some analysts attribute the bipolarization of jobs to a shift away from smokestack manufacturing industries to high tech and service industries. The verdict is not in.

True, there has been a decline of employment in basic manufacturing blue-collar jobs.....but only in certain specific industries. Many manufacturing industries are alive and growing. There is no doubt that steel mills, metal foundries and automobile manufacturers face stiff competition from foreign imports; and jobs in these industries may never reach the peak levels attained in past years. The victims of this industrial shift are typically the prime-working-age male, blue-collar worker, often unionized and well paid. This group of workers has, in the past few years, posed a serious employment problem. Yet, new industrial developments such as small, specialty steel mills and highly automated assembly plants have created job openings for well paid engineers, technicians and those trained in high-tech occupations. As a whole, more jobs have been created than lost in the economy since the last recession.

Just how wage rates affect occupational growth, we are not sure. Nor have we confirmed the affect of both wages and occupational growth upon the nation's middle class...there are other, as significant factors. The increasing number of multiple-earner families, the increasing average age of workers in the labor force, the greater abundance of single-parent families and of single-individual households with labor force participants all affect the economic well-being of society.

We do have abundant information on wages for various industries. The latest data on employment in major industries, on the number of business firms, and on the average weekly wages of employees in those industries is being published by Wisconsin's Department of Industry, Labor and Human Relations. The employment data are for January, February and March of 1986; and the average weekly wages are an average computed from all three months. Since the figures are for the first quarter of the year, comparisons to other quarters may be misleading. Many industries grow and decline at different times of the year. Construction, for example, is highly seasonal, as is food processing. Even retail trade employment has a seasonal pattern, usually reaching a peak around late November and December. Thus, comparisons of employment and wages should be made only to the first quarter data of previous years.

The employment figures include only workers covered by the state's unemployment compensation system. While over ninety percent of the state's wage and salary workers are covered, self-employed workers with earnings other than a wage or salary are not included. This may be significant in the service industries which include such occupations as computer processing consultants and self-employed child-care workers.

If we look at the weekly wage rates reported on the 1986 report, rank the major industries according to wages, then consult earlier reports to determine employment growth, we find that since 1983, for example, the

industries with the lowest average weekly wages did, indeed, grow the most. Unsurprisingly, the two industries which grew the most are services and retail trade. Both have employment gains of over forty thousand since 1983. And the average weekly wage in both is low. The average weekly wage in the service industry is about eighty percent of the all-industry level and about sixty percent of the average weekly in manufacturing. Even lower, the average weekly wage in retail trade is about forty-eight percent of the all-industry level and thirty-six percent of the manufacturing average wage. A difference that striking in the average weekly wages needs comment. Those are, remember, weekly averages and don't precisely translate to hourly wage rates. The service and retail trade industries have historically employed a large portion of part-time workers. It is likely that many of the workers in these industries are second or third earners in multiple earner families. Too, the retail trade industries employ a large number of youth, many who work part-time while in school, and thus, are not primary family earners.

Of Wisconsin's total annual average number of employed workers in 1985, about twenty-four percent were working part-time. About three-fourths of those part-timers worked part-time by choice. The remainder, over six percent of the total employed, were working part-time but would have preferred full-time work. They were employed part-time for economic reasons -only part-time jobs were available. For those six percent, employment growth in low-wage industries did erode economic well-being.

On the extreme of the weekly wage scale is manufacturing. The $463 average weekly pay in manufacturing reflects the high wage rates paid; but also reflects the fact that manufacturing jobs are typically full-time and even entail premium-pay over-time hours. Employment growth in manufacturing from 1983 through the first quarter of 1986 amounts to over thirty-eight thousand. Closer inspection, however, reveals that most of the growth occurred from 1983 to 1984, a year of rapid recovery from the last recession. Since 1984, manufacturing employment has been fairly even.

An analysis of manufacturing into durable and nondurable goods production shows employment in the durable goods sector decreasing slightly but consistently since 1984. Offsetting that is the steady employment increase in the state's nondurable goods sector, which has slightly lower average wages. That opens the question of whether some of the best paid workers are able, or even willing, to transfer their skills to lower paying industries. Are the employees of declining industries able to learn new skills that will enable them to get well-paying jobs in other industries?

We have focused much scrutiny, debate and retraining effort on displaced workers since manufacturers began to persue cheaper foreign labor and neglected to update production facilities in this country, thus precipitating plant shut-downs. However, factory modernization is now progressing here as other factors such as import tariffs and quotas, the exchange rate of currencies and the transportation costs of manufacturing abroad became apparent. More will be known about transferring job skills and retraining as our business sector rebuilds. The results of our training efforts will certainly affect our economic class structure.

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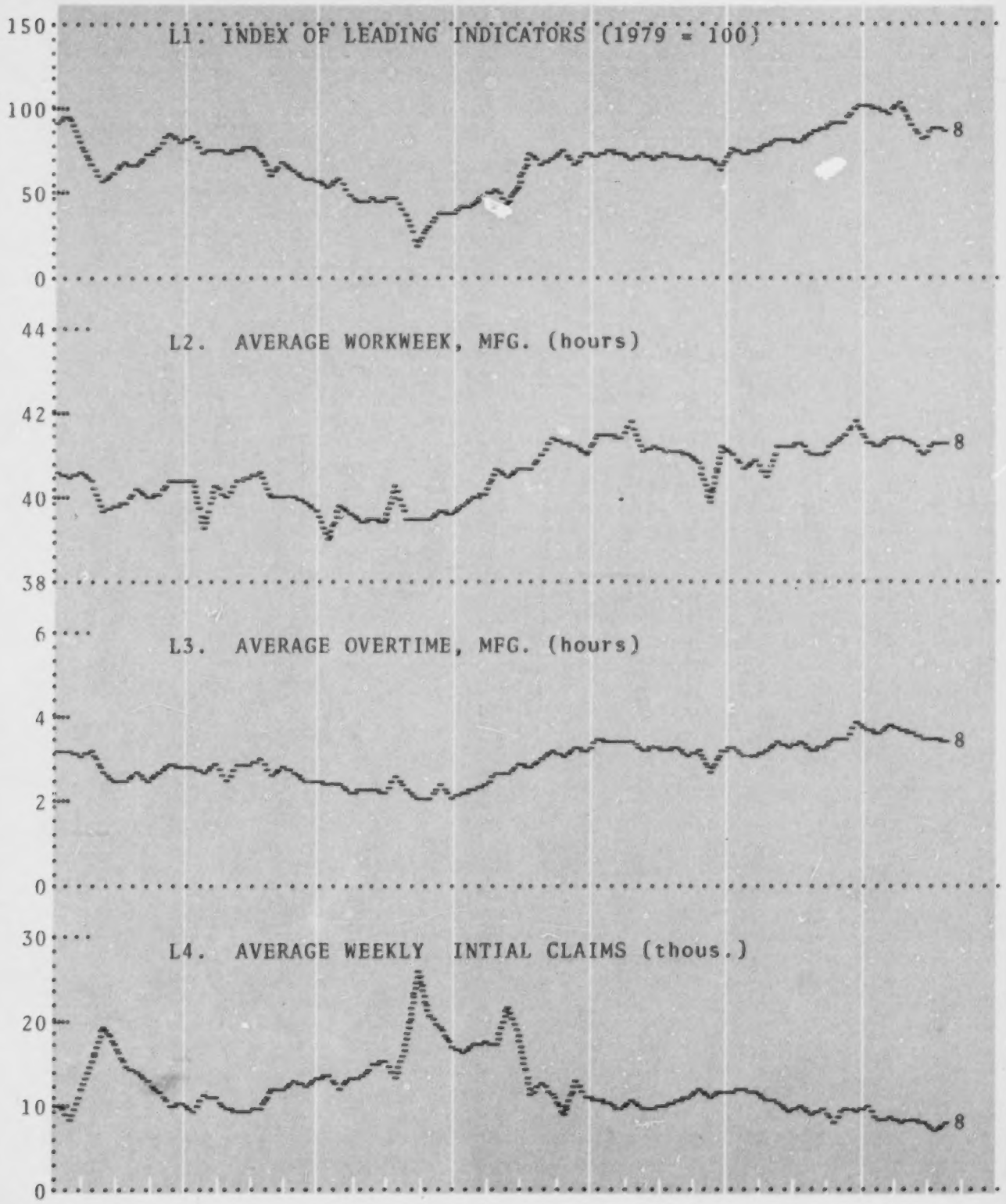

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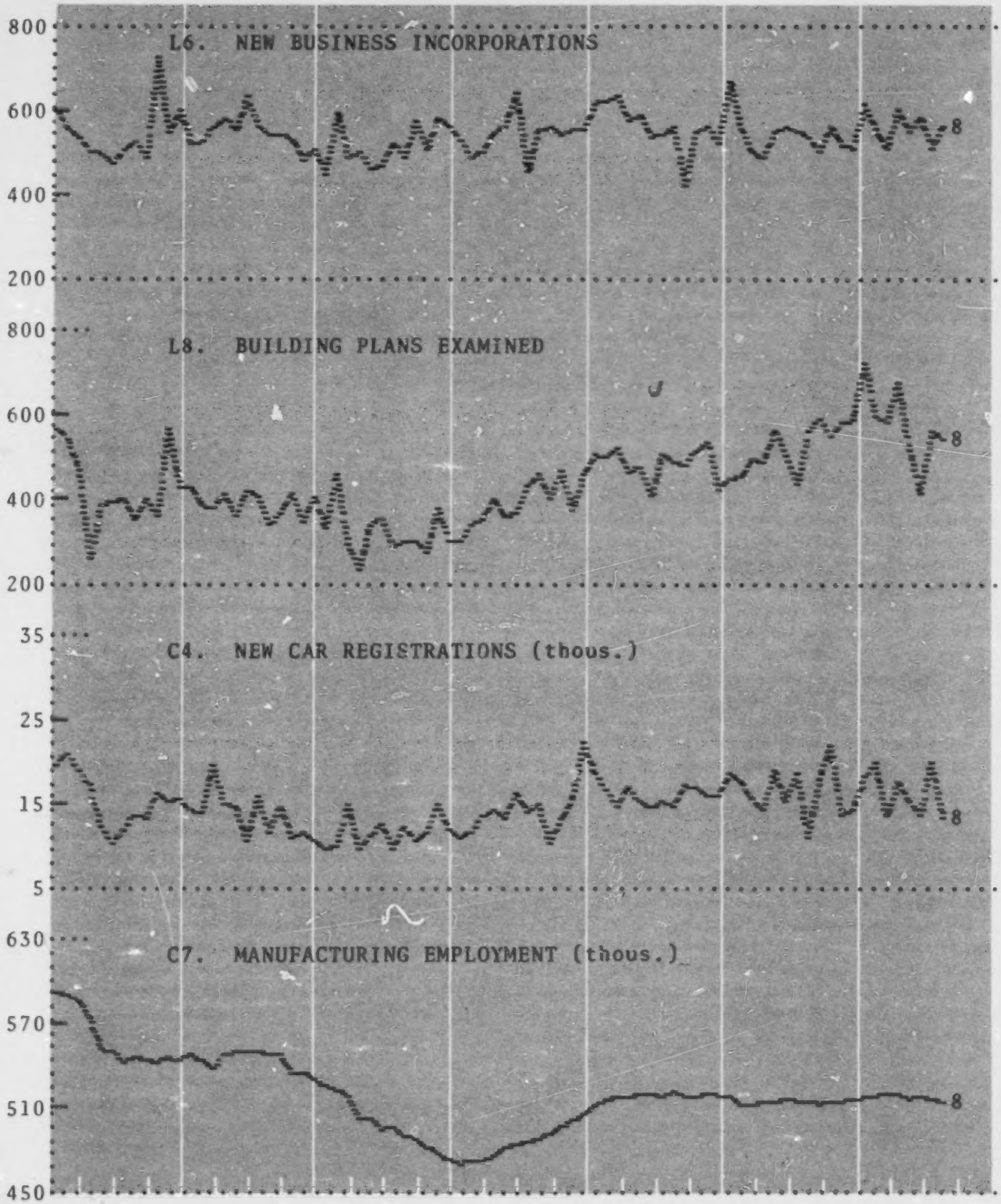

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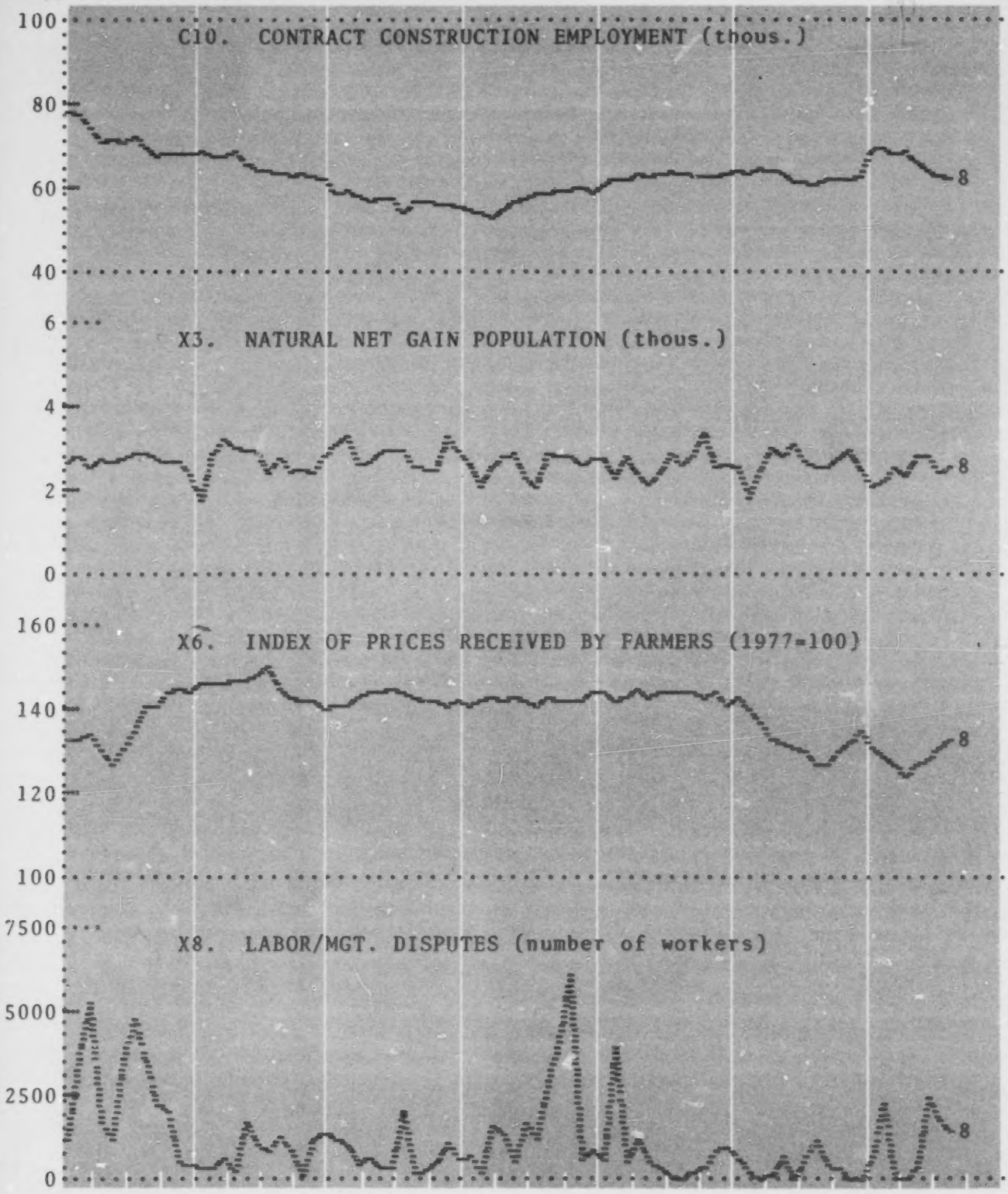

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